GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:707
ANSWERED ON:28.07.2006
CORRUPTION IN NEW INDIA INSURANCE COMPANY
Paswan Shri Ramchandra;Singh Shri Suraj

Will the Minister of FINANCE be pleased to state:

(a) whether corruption is rampant in the branches of the New India Insurance Company Limited operating in Northern Bihar, particularly in the Samastipur district branch;

(b) if so, the details thereof; and

(c) the steps taken by the Government to curb the corruption?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a)&(b) There is no report of rampant corruption in branches of the company. A complaint was received in the year 1991 from Shri Ramsakal Rai, S/O Shiv Nandan Rai, Village Dadhpur, Chakanoor, Samsatipur against the Officers of the New India Assurance Co. Ltd. alleging appointment of an impersonator as sub staff in the company. Charge sheets for major penalty have been issued to the involved Officers.

(c) There is an established procedure with regard to disciplinary action against the erring officials and the company has taken appropriate action as per procedure. Further the Company has a well structured vigilance set up headed by a Chief Vigilance Officer in the rank of GM who ensures that the company follows Central Vigilance Commission (CVC) guidelines in word and spirit. Vigilance Officers of the Insurance Company undertake surprise inspection of the Division Offices/Branch Offices for taking corrective/preventive actions.